



## CIPS L4M5 Practice Questions

Shared by Haynes on 18-08-2026

**For More Free Questions and Preparation Resources**

Check the Links on Last Page



## Question 1

---

Question Type: MultipleChoice

---

Which of the following are behaviours that builds trust between the buyer and the supplier in business relationship? Select TWO that apply.

### Options:

- A- Conducting transparent procurement process
- B- Over-inflated contingency funds
- C- Allowing supplier to involve in early product development
- D- Commercial espionage
- E- Tendency to blame other party

### Answer:

A, C

### Explanation:

Trust-building behaviours are as following:

Joint-effort issue resolution

Open sharing of information

Open and honest discussion on root cause of failures

Joint planning focusing on value for money and risk sharing

Commercial transparency and co-proposition of cost reduction and service improvement programmes

Joint recognition and celebration of successes

## Question 2

---

Question Type: MultipleChoice

---

Which of the following is a source of power in organisational relationships?

Options:

- A- Referent power
- B- Given power
- C- Tactical power
- D- Intruded power

Answer:

A

### Question 3

Question Type: MultipleChoice

Which of the following are macroeconomic factors that may have influence to the commercial negotiation? Select TWO that apply

Options:

- A- Equilibrium price
- B- Supply curve
- C- Unemployment rate
- D- Bargaining power of supplier
- E- Rising import tariffs

Answer:

C, E

Explanation:

There are many macro economic factors that could influence procurement in general and commercial negotiation in particular. Below are six factors that are agreed to be fairly significant:

- \* Economy growth rate
- \* Inflation rates
- \* Interest rates
- \* Currency exchange rate
- \* Unemployment rate

\* Protectionism

LO 2, AC 2.2

## Question 4

Question Type: MultipleChoice

Which of the following are rules of attentive listening? Select TWO that apply.

Options:

- A- Prepare for what to say next
- B- React to the person who is speaking
- C- Listen deliberately
- D- Only focus on verbal cues
- E- Do not interrupt when the other party is speaking

Answer:

C, E

Explanation:

Hearing is passive but listening is active, and some people need to learn to be a good, attentive listener. The following rules of attentive listening will help you to become a successful negotiator:

- \* Be motivated to listen
- \* Be alert to non-verbal cues
- \* Do not interrupt the other party when they are speaking
- \* Fight off distractions
- \* Write everything down
- \* Listen with a goal in mind
- \* Give the other party your undivided attention
- \* React to the message, not the person

LO 3, AC 3.3

## Question 5

---

Question Type: MultipleChoice

---

Effective listening is important in integrative negotiations. Is this statement correct?

Options:

- A- Yes, as it allows issues to be shared and understood between all parties
- B- Yes, as it means the supplier's attempts at negotiation can be stopped quickly with reasoning
- C- No, as what the other party has to say is not important
- D- No, as effective listening is important only in a distributive negotiation

Answer:

---

A

Explanation:

---

Effective listening is crucial in integrative negotiations because it promotes understanding and collaboration. By actively listening, parties can identify shared interests and address concerns, which supports the goal of reaching mutually beneficial solutions. This is a key component in CIPS guidelines on successful integrative negotiation practices.

## Question 6

---

Question Type: MultipleChoice

---

A purchasing organisation is discussing its approach to an upcoming negotiation with a key supplier over a contract for critical new services. They have decided they want to find a Win/Win (integrative) solution. Which TWO of the following would be appropriate in this scenario?

---

**Options:**

- A- Collaboration
- B- Problem solving
- C- Coercion
- D- Persuasion
- E- Transfer of risk

---

**Answer:**

A, B

---

**Explanation:**

In a Win/Win or integrative negotiation approach, the goal is to achieve mutual benefit, which is characterized by a collaborative environment. According to CIPS principles on integrative negotiation:

Collaboration (A): Actively working together enables both parties to find solutions that maximize joint gains and address the needs of both sides.

Problem solving (B): Focusing on problem-solving allows both parties to address the issues at hand rather than competing over positions, facilitating a solution that satisfies both parties' needs.

By emphasizing collaboration and problem-solving, the organization increases the likelihood of a successful, sustainable agreement that respects both parties' interests.

---

**Question 7**

**Question Type:** MultipleChoice

---

Which of the following are features of a single-sourced type of relationship on the relationship spectrum?

Exclusivity granted in relation to a particular product

The supplier is an oligopoly market structure

The supplier is trusted and collaborative

Framework contracts are used to identify the supplier

Options:

---

- A- 1 and 2 only
- B- 1 and 3 only
- C- 2 and 3 only
- D- 2 and 4 only

Answer:

---

B

Explanation:

---

Single-sourced relationships often involve exclusivity for a specific product (1) and a high level of trust and collaboration (3) between buyer and supplier. This type of relationship is selected for strategic procurement purposes, often involving long-term partnerships, which align with CIPS's relationship spectrum guidelines.

To Get Premium Files for L4M5 Visit

<https://www.p2pexams.com/products/l4m5>

For More Free Questions Visit

<https://www.p2pexams.com/cips/pdf/l4m5>

**20%**  
**DISCOUNT**

**P2P**  
exams